





# Work Life Balance

A major challenge for sustaining long-term growth in Europe  
and preserving the European social model

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# Preface

Preface by PIERRE HENRY

*Pour la Solidarité* has published a particularly relevant analysis concerning the economic and social challenges inherent in the notion of “work-life balance” at the European level.

As a company, Sodexo plays a central role in leveraging performance and well-being by implementing human resources policies on a global scale in 80 countries around the world – including several European countries – where the Group is present.

Based on its offer and strategic positioning, Sodexo is at the center of analysis and action plans aimed at improving Daily Quality of Life for individuals, whether it be company employees or the millions of people the Group serves each day with service solutions.

In effect, Sodexo has developed a unique service solutions offer aimed at improving Quality of Life in more than 33,000 sites around the world, including companies, hospitals, schools and universities, prisons and remote sites on the other side of the planet. In the eight client segments where we are present, our 380,000 employees offer our clients On-site Service Solutions and Motivation Solutions which increase the well-being of the 50 million individuals we serve and improve the performance of the companies and organizations that use them.

This positioning is based on our conviction since the founding of the company by Pierre Bellon in 1966: that Quality of Life contributes to the progress and well-being of individuals and to the performance of organizations.

The economic situation today requires new reflexes from all those on the economic scene. One of the most important changes evident today is the constant quest for innovation. If the objectives fixed by the Treaty of Lisbon seem difficult to attain in the given timeframe, the challenges for reconciling “work-life

balance” also present an incredible opportunity to define a new European social agenda, as this report highlights. Thus the different parties (companies, institutions, social partners. . .) should consider this challenge from a new angle, that which creates value.

This is exactly what *Pour la Solidarité* is proposing through best practices and concrete examples showing work/life reconciliation as a tool for growth and competitiveness on both a micro and macro-economic scale as well as a real factor for social cohesion. In terms of this last factor, it has been shown that the development of personal services is clearly becoming a major asset in rejuvenating the economy of the European Union. By taking a stand in the public debate, enterprises in this sector, such as Sodexo, can develop services which become an essential part of a real “culture” which reconciles “work-life balance” on a European scale, a culture which makes Quality of Life a new measure of wealth in our countries.

Pierre Henry

*Sodexo, Group Chief Operating Officer, Chief Executive Officer Motivation Solutions and Chief Executive Officer South America and Continental Europe, On-site Service Solutions*

# Executive summary

The European Union currently confronts several major challenges: a low birth rate, an ageing population, a low rate of participation by women in the labour market, evolving family patterns and slower growth. In seeking solutions to overcome these obstacles, governments, social partners and companies have developed innovative solutions to rethink and thus better reconcile, the relationship between professional and private life (referred to here as work-life balance).

The European Commission indicates that « the possibility of reconciling work life and private life depends as much on a modern organisation of work, combining flexibility and security with regard to gender, as on the availability of accessible, affordable and quality services ».<sup>1</sup>

Such measures:

- contribute to **economic growth** and the EU's competitiveness by increasing the participation of women and older workers in the labour market as well as by creating possibilities for new jobs and the fulfilment of the zone's full economic potential;
- help solve **demographic problems** in Europe.<sup>2</sup> The Commission notes the difference between the number of children desired of 2.3 and the fertility rate of 1.5 children per woman in Europe. Through work-life balance measures, couples are able to have as many children as they would like;
- relate to issues of equality between generations and gender as well as, more generally, the problem of **social cohesion**. Work-life balance is a factor of social well-being and the ability to fight effectively against social exclusion.

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1. European Commission, 2008, Report on gender equality.

2. The demographic future of Europe, from challenge to opportunity COM (2006) 571.

## Work-life balance as a means for growth and competitiveness

The development of measures for better work-life balance involves all economic actors (government, companies and consumers) and can be regarded as a means for growth and competitiveness at three levels, in that it enables:

- companies to improve their attractiveness
- adaptation to societal changes,
- creation of new means of generating economic growth.

With regard to the attractiveness of companies, development of management tools for greater labour flexibility and a better work-life balance have beneficial effects on the well-being of workers, including the reduction of stress and disturbances between work and personal life. This contributes to greater retention of workers, thereby reducing the costs of excessive employee turnover.

For example, in Northern Ireland, the newspaper "Irish News" has seen a 20% reduction in employee turnover since the introduction of a range of work-life balance policies, such as emergency leave with pay, compressed weekly work schedules and an increase in allowances paid during maternity or paternity leave.

Moreover, given changes in demographic trends (an ageing population, longer life expectancy) and in society at large (increased participation of women in the labour force, greater sharing of household responsibilities, increased numbers of single parent families, involvement of citizens in civil society...), it is important for companies to adapt to new realities. This includes maintaining longer employment for older workers by adapting the work to age considerations, helping to reduce the risk of an inadequate workforce to ensure economic growth. As presented above, this type of approach also has an impact in terms of productivity and attractiveness of companies.

Among existing tools to improve work-life balance, development of greater flexibility in the organisation of work is one of the most efficient, with a wide range of opportunities presenting a number of advantages, including reductions in overtime, absenteeism and delays related to transportation. Currently, a number of tools exist, implemented at the national or European levels:

- at the European level, the 1993 directive on working hours, which should soon be revised, sets out minimum requirements on working hours and

workplace health and safety, although with some exceptions. It guarantees a certain harmonisation with regard to working hours within the EU. Furthermore, a 1997 directive on part-time work, aimed at encouraging participation by women in the labour force through improved work-life balance, also can respond to the organisational needs of businesses. However, part-time employment also can be a double-edged sword, as some companies use it for atypical hours without offering the possibility of adjustments or without giving a choice to their employees. In this case, it no longer serves as a tool for promoting work-life balance but only for the internal flexibility within the company.

- at the national level, flexibility measures that can be implemented depend, in addition to labour law (including the general framework partly defined at the European level), on the willingness of companies and on collective bargaining agreements. Thus, different options can be offered, ranging from the adjustment of work arrival and departure times to the provision of time savings accounts (which allow employees to save time and money for use at a future time) to compensation for accumulated hours to compressed work weeks. In addition, the explosion in information and communications technologies (ICT) in recent years has opened new possibilities for encouraging work-life balance, particularly with regard to telecommuting. However, although all of these measures exist, they are still little used in Europe, with significant differences from one country to another.

Finally, social and demographic changes imply new needs from a more active clientele. Evolutions in the areas of migration and access to ICT, which require the development of new, employment-generating services, need to be better taken into account. These changes also generate new demands in terms of personal services which involve "*services that, on the basis of geographic and / or relational proximity, meet collective or individual needs that are either new or that are responded to inadequately at present*".<sup>3</sup> They have been widely developed in recent years in Europe and play an important role in work-life balance by facilitating the daily life of workers. While a wide disparity in personal services exists at present at the European level, whether in terms of the provider (public, private, associations / another sector), of the level of gov-

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3. National legislation regarding personal services - Toward a European approach, European personal services network, 2009, a study coordinated by the European Think Tank *Pour la Solidarité*.

ernment involvement or of the impact of cultural aspects on their development, there also are a number of common issues: the impact of liberalisation of services in Europe, for example, or the need to professionalise the sector.

## Employment and equal opportunity as factors in social cohesion

In addition to its contribution to growth and competitiveness, work-life balance has an impact on social cohesion, the second major component of European strategy since the early 2000s. It is indeed a tool for:

- gender equality,
- generational equality,
- social protection and the fight against poverty and social exclusion.

Despite numerous initiatives, particularly at the European level, in favour of greater gender equality, especially in terms of employment, major inequalities persist at all levels.

In the professional sphere, part-time jobs are mostly occupied by women, who are subject to disadvantages or even discrimination compared to men in terms of career, salary or retirement. Similarly, in the private sphere, the division of tasks remains unbalanced. However, the increase in female labour is both an issue for economic growth and social cohesion for the future. Between 2000 and 2007, 14.6 million jobs were created, including 9.2 million for women although the employment rate for women remains below that of men (58.8% versus 73.2% for the 15 to 64 age bracket). Moreover, it is clear that in countries favouring work-life balance, more women with children work, demonstrating the need for such policies. In particular, the establishment of special leave can facilitate this balance, especially when children are born: in addition to parental leave of three months and a minimum maternity leave of 14 weeks agreed to with social partners at the European level in the 1990's, certain European countries offer paternity leave (periods of parental leave for fathers only), adoption leave and "filial" leave (for other family members who are dependent). While these leave programmes encourage women's participation in the labour force, they can only truly promote equality if they are taken more equally by men and women, the latter currently being the main beneficiaries. Furthermore, the development of personal services also can be a source for improved work-life balance and facilitate women's access to employment.

Regarding generational equity in the company, it will be of increasing interest as the European population ages and has already become meaningful with increased life expectancy and the prolongation of working careers. On the one hand, retaining workers over 50 in the labour force can help sustain economic growth while reducing the risk of poverty. On the other hand, these workers increasingly face a double dependence: that of their older parents and that of their children. Thus, measures to encourage work-life balance also are required for this category of workers. On this point, the EU, which is not directly responsible, has already offered a number of measures, through communications regarding various EU programmes and experiments.

If, an important part of measures for improving work-life balance depends on a proactive approach by companies, governments also have a crucial role to play, especially in ensuring adequate social protection that is accessible to all. However, in a number of countries, leave programmes do not provide sufficient qualification for social benefits and there is not always protection against dismissal in case of leave. It is especially through specific policies that public authorities can act to change traditional patterns. These policies require the establishment of adequate funding, either through subsidies or through the stimulation of demand.

### The role of various actors in work-life balance policies

The implementation of measures for improved work-life balance is not the responsibility of a single actor; on the contrary it is a shared responsibility between European, national decision makers and private sector actors.

At the European level, EU institutions can provide an overall framework for action and propose specific measures. This has the advantage of offering a levelling at the top of the relevant rules in different Member States, thus limiting the risks of social dumping that may emerge from differences that are too great. For example, the Commission presented in October 2008 a "work-life balance package" proposing various measures for a better balance. This package includes a general communication and two specific draft directives which have not yet been adopted by the European Parliament. It may also set objectives, such as with employment for women and childcare.

In addition to the European institutions, European social partners can play an important role insofar as certain measures agreed by representatives of work-

ers and employers may be directly transposed into EU directives and implemented in Member States. This was notably the case for the directives on parental leave or part-time work.

If European institutions and European social partners can play an important role in work-life balance, the responsibility of Member States is the most important in terms of legislative matters, particularly in labour law and tax and family policies. Similarly, fiscal leverage is primarily activated at the level of national governments. At present, the differences from one country to another are significant and the objectives are not always the same (higher fertility, balanced division of labour between men and women, fight against poverty ...). The weighting of social models in this case is particularly important. In Europe, there are 4: the Nordic model (support for young children), the Anglo-Saxon model (flexibility of the labour market to enable professional mobility), the Southern model (a deficit of policies) and others (significant public assistance and choice of work or suspension of work left to families). Similarly, the involvement of public authorities in access to household services plays a significant role in women's access to the labour market.

Finally, at the end of the chain are companies, responsible for implementing the rules adopted at the national and European levels. Overall, they develop very different actions, depending on the country in which they operate, the institutional context, collective bargaining agreements, their size, their internal willingness, etc. Also, some measures proposed by public authorities, particularly with regard to taxation, provide non-mandatory incentives. Thus, some companies choose to offer their employees in-kind benefits, such as a company nursery, childcare, concierge services or the establishment of a cafeteria. Regarding the organisation of working hours, again the possibilities are broad and depend largely on the choice of internal management.

Several questions arise, which will only be answered in the coming years and are the responsibility of the new European Commission and the new European Parliament. In particular, solutions are needed for a number of texts blocked during previous legislatures, such as the directive on work hours or the lengthening of the duration of maternity leave. Similarly, application of the directive on the liberalisation of services, implemented in Europe in late 2009 or early 2010 depending on the country, could raise a number of challenges. Finally, new directions for the next 10 years will be taken through a renewed Lisbon Strategy, a new roadmap for gender equality and a new

European Social Agenda. The various issues related to work-life balance should not be forgotten, as much as for their own importance as for the competitiveness of enterprises and the well-being of European citizens.



# Introduction

The European Union currently confronts several major challenges: a low birth rate, an ageing population, a low rate of participation by women in the labour market, evolving family patterns and slower growth. In seeking solutions to overcome these obstacles, governments, social partners and companies have developed innovative solutions to rethink, and thus better reconcile, the relationship between professional and private life.

These measures:

- contribute to **economic growth** and the EU's competitiveness by increasing the participation of women and seniors in the labour market as well as by creating new jobs and improving the attractiveness of markets;
- help in solving **demographic problems** in Europe.<sup>4</sup> The Commission notes the difference between the number of children desired of 2.3 and the fertility rate of 1.5 children per woman in Europe. Through work-life balance measures, couples are able to have as many children as they would like;
- relate to issues of equality between generations and gender as well as, more generally, the problem of social cohesion. Work-life balance is a factor of social well-being and the ability to fight effectively against social exclusion.

Throughout this study, we will demonstrate the contributions of these measures in facilitating life harmonisation for employees. We also will present best practices developed in the area of work-life balance. But before going further in our analysis, it is interesting to consider the expressions used to describe these measures. Each is connoted differently, depending on the aspect one chooses to emphasise. Thus, in French, one can find expressions such as "reconciliation of professional and private life", "reconciling work and family life" or "reconciliation of life at and outside of work". This last expression, being the

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<sup>4</sup>The demographic future of Europe, from challenge to opportunity COM (2006) 571.

most neutral, will be used throughout the study [note: the English version of this document uses the expression “work-life balance”.] It is also interesting to examine the translation of this term in different EU countries:

- in English, the phrase is “work-life balance”. The opposition of “life” and “work” suggests that life happens outside of work;
- In German, the term is “Vereinbarkeit von Familie und Beruf” (compatibility of family and work), although the term “Vereinbarkeit von Berufs-, Privat- und Familienleben” (compatibility of working life, private life and family life) also exists. This indicates that work-life balance policies are intended to involve measures relative to family life;
- In many other European countries we find a term similar to the French practice of “balance of work life and private life” as in Spain where it is expressed as “equilibrio entre trabajo y vida personal” or in Italy “equilibrio tra lavoro e vita privata”.

How do work-life balance policies produce results?

The European Commission indicates that *“the possibility of reconciling work life and private life depends as much on a modern organisation of work, combining flexibility and security with regard to gender, as on the availability of accessible, affordable and quality services”*.<sup>5</sup> The British government underlines: *“Work-life balance isn’t only about families and childcare; nor is it about working less; it’s about working ‘smart’; about being fresh enough to give all you need to both work and home, without jeopardizing one for the other; and it’s a necessity for everyone, at whatever your stage in life”*.<sup>6</sup>

As noted by the Commission, it thus occurs through “a modern organisation of work, combining flexibility and security”, which recalls the current debate around the concept of flexicurity.<sup>7</sup> *“Flexicurity can be defined as an integrated strategy to simultaneously improve flexibility and security on the labour market. Flexibility is about successful life changes (“transitions”): between education and the world of work, between jobs, between unemployment or inactivity and work, between work and retirement. [...] Flexibility is also the organisation of*

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5. European Commission, 2008, Report on gender equality.

6. Department of Trade and Industry, 2001, The Essential Guide to Work-Life Balance.

7. European Commission Communication, 2008, “Toward common principles of flexicurity: The greatest number and best quality jobs in combining flexibility and security”, COM (2007) XXX.

*work that enables rapid and effective response to new needs, in terms of production and mastery of new skills, and the facilitating of the reconciliation of professional and private responsibilities.*

*Security, on the other hand, is more than the assurance of keeping a job. It is about providing people with skills to advance in their careers and to help them find a new job. It also involves unemployment compensation benefits adapted to facilitate transitions. Finally, it also includes training opportunities for all workers (especially unskilled and older workers)”.*

Flexicurity is from this point of view the common foundation of ideas for modernising European labour markets. It seeks to link the needs of employees with those of companies in an evolutionary perspective. It promotes:

- flexible and reliable contractual arrangements (from the perspective of both employers and workers – both current workers and those outside the labour force) in the context of labour law, collective bargaining agreements and a modern organisation of work;
- comprehensive strategies for lifelong learning to ensure adaptability and an aptitude for permanent employment among workers, particularly the most vulnerable;
- active labour market policies allowing individuals to cope with rapid change, to reduce the length of unemployment and ease transitions to new jobs;
- modern social security systems that provide adequate income support, encourage employment and facilitate mobility in the labour market. This requires a wide range of welfare benefits (unemployment benefits, pensions and health care) that enable individuals to balance their work and their private and family responsibilities such as childcare.

The contributions of policies reconciling professional and private life with regard to the modernisation of work are also linked to the Lisbon Strategy. Launched in 2000 by the European Council, it seeks to respond to the problems cited above and to make the EU the most competitive economy in the world with an objective of achieving full employment by 2010.

This strategy is based on three pillars:

- economic, in promoting investment in research and development;
- social, in modernising the European social model;

- environmental (while taking into account sustainable development in the two previous pillars).

The Lisbon Strategy is based on the “open method of coordination” which creates a framework for cooperation between Member States to achieve convergence of national policies to achieve certain shared goals.<sup>8</sup> This means that Member States must achieve goals they have determined in common, but that they are completely free in the choice of the tools with which to reach them.

However, the EU is currently in an economic crisis and the Member States are far from having attained their goals. The Lisbon Strategy is coming to an end in 2010 and must be redefined by Member States beginning of January 2010, especially with regard to these new elements.

One also could be concerned that the current economic crisis would result in reduced investment, especially by companies that lack resources and therefore are less involved in ensuring work-life balance. However, there is no disengagement on their part in the face of these difficulties. This means they recognise that work-life balance measures have the potential to generate growth, competitiveness and social cohesion and represent a vital asset in the current context.

To better understand the contribution of policies to improved work-life balance, in light of the current context and with a perspective of growth and social cohesion, it may be interesting to analyse them from three primary perspectives:

- growth and competitiveness;
- improvements in the quality of life and social cohesion;
- the influence of economic agents on these issues.

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8. The OMC takes place in areas falling within the competence of Member States such as employment, social protection, social inclusion, education, youth and training.

It is based primarily on:

- identifying and defining common objectives to be met (adopted by the Council);
- commonly defined measuring instruments (statistics, indicators, guidelines)
- benchmarking comparing the performance of Member States and exchanging best practices (monitoring conducted by the Commission);

Depending on the area, the OMC involves measures that are more or less binding for Member States, but never take the form of directives, regulations or decisions.

## Part 1: Work-life balance as a means for growth and competitiveness<sup>9</sup>

Reconciliation policies have many benefits for both employees and employers. By setting up an organisation of work that is more modern and flexible, they can improve a company's productivity as well its attractiveness, either vis-à-vis employees or consumers.

Moreover, to facilitate the course of various moments in the lives of their employees, companies and institutions can make available a range of services that also promote the emergence of new sectors that help foster sustainable growth.



## I) Improving the attractiveness of companies

Work-life balance policies should be considered a worthwhile investment by companies as a means to improve their attractiveness and productivity. How?

By facilitating the course of various moments of life, these policies promote employee well-being, reducing stress and disruptions of work on private life and vice versa. As a result, employees are more engaged in their professional activity.

These policies improve not only the company's productivity, but also its attractiveness. By enabling a smoother transition between work life and private and family life, as well as providing a quality work environment, these companies present undeniable advantages for their employees. It is easier to attract and retain a wide breadth of employees, particularly skilled workers. These companies experience less employee turnover, which lowers recruitment and training costs. By allowing greater flexibility in the workplace, the incidence of absenteeism and lateness for work also are reduced.

Implementing these policies also provides benefits in terms of the company's image with clients. In developing innovative human resource policies that truly take "humans" into account, the company's reputation is improved, which can have a positive effect on sales. Labels or seals also have been created by governments to highlight these efforts with consumers. These include the "career and family audit" in Germany and the quality label<sup>10</sup> or equality label in France.<sup>11</sup>

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9. See particularly the report by INED, "How can employers help their employees balance work and family?" explaining why French companies implement reconciliation policies.

10. For the quality label, one of the three assessment criteria is implementation of reconciliation policies.

11. Companies face work-life balance: a comparison between Germany and France (June 2008).

A study conducted in Germany also sought to show that implementation of work-life balance policies can improve company overall performance. "*Research commissioned by the Ministry of Families conducted by the Prognos research institute concludes that the introduction of work-family measures provides companies with a return on investment of 125% (Prognos AG, 2003). According to this research, the measures adopted by companies can save 50% of the costs incurred by the absence of attention to the family constraints of employees*".<sup>12</sup> Although the results can be discussed, particularly the methodology (there is wide variation among companies depending on industry sector and company size), it nevertheless attracted companies' attention. Above all, the study shows that work-life balance policies are a factor in economic efficiency capable of generating significant returns on investment.

Moore and Smalley: productivity gains from work-life balance measures (United Kingdom)

Moore and Smalley is an independent company providing accounting and business consulting services.

The company has implemented a pilot project regarding part-time work performed outside the company premises. The programme has greatly improved customer service and staff motivation and reduced absenteeism.

How? Flexible work hours were introduced in the business tax department with a fixed schedule of work from 10:00 to 12:00 in the morning and from 2:00 to 4:00 in the afternoon, with the remaining hours flexible. In addition, overtime hours worked during busy activity periods are recorded and can be carried over as additional leave time.

The benefits of these measures were quickly observed. The staff is more readily agreeable to work overtime when necessary. Work hours are spread across a broader schedule providing increased customer service outside normal working hours. Lost work hours (due to medical appointments, for example) were significantly reduced.

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<sup>12</sup>. Ibid.

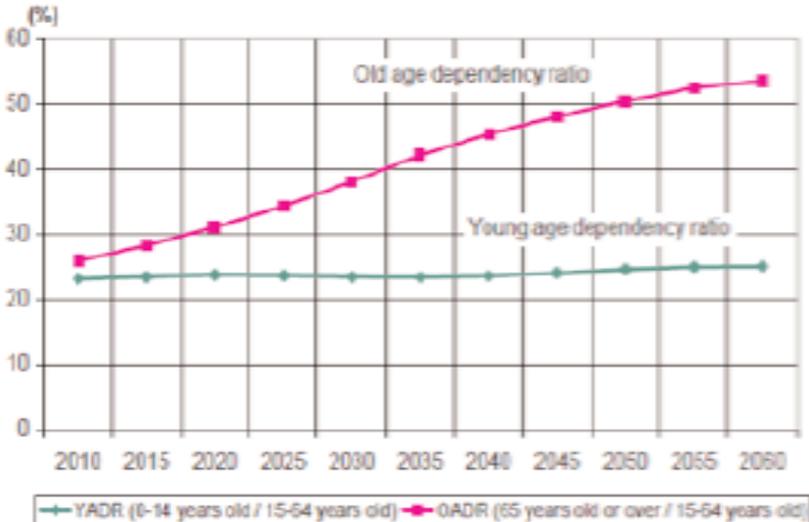
During the pilot project, staff turnover in terms of attrition was reduced by half, from 15% to 7.5%. The proportion of days lost due to short-term absence or illness decreased from 3.5% to 2.3%.

[www.worklifebalance.ie](http://www.worklifebalance.ie)

## II) Adapting to changes in society

Work-life balance policies are also necessary tools for companies to adapt to societal changes. This concerns first of all the demographics of the EU and its economic consequences. As stated in a Commission Communication on the demographic future of the EU, "the total population of the EU-25 will fall slightly, but will become much older. Economically, the main change involves the working age population (aged 15 to 64 years) which will decrease by 48 million by 2050. The dependency ratio (the number of people aged 65 and older relative to those aged 15 to 64 years) is expected to double to reach 51% by 2050, meaning that the EU will go from four to only two working age people for each citizen aged 65 and older". The Commission adds that the ageing of the population could have an impact on European growth: the rate of economic growth could decline, as a result of the reduction in the working age population, by 2.4% over the period 2004 to 2010 and by 1.2% over the period 2030 to 2050.

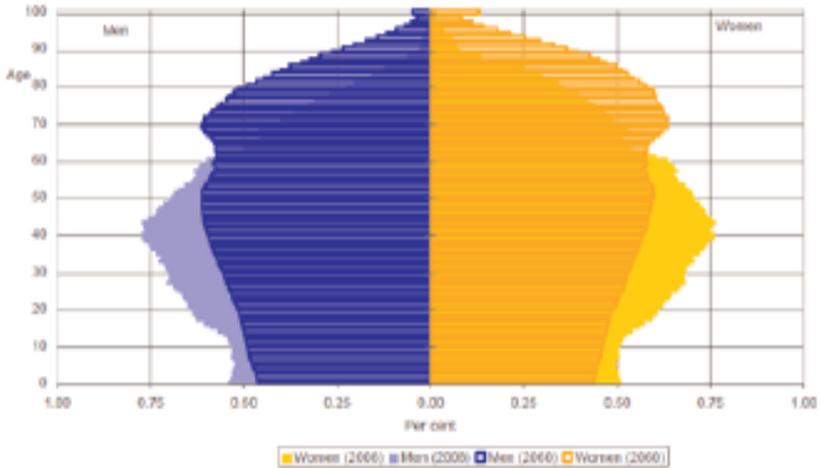
### Projected dependency ratio to 2060 in EU 27<sup>13</sup>



Source: Eurostat, EUROPOP2008 convergence scenario

13. Ageing characterises the demographic perspectives of the European societies - Issue number 72/2008, Konstantinos Giannakouris, Eurostat, Collection "statistics in brief", 26/08/08 (<http://tinyurl.com/y8prkqv>)

## Projected evolution of age pyramid in the EU 27 to 2060<sup>14</sup>



Source: Eurostat, EUROPOP2008 convergence scenario

These policies enable work to be adapted in function of the age of workers. With increasing healthy life expectancy, they help keep employees older than 50 working, thus maintaining a workforce sufficient to sustain economic growth in Europe. In addition, it has been seen that allowing parents to have as many children as they want can help promote demographic renewal in Europe.

Also observed in recent years are changing family patterns and the re-distribution of tasks between the couple. A greater proportion of women work, men are more likely to take time for family life and the number of single parent families is increasing. Companies are therefore faced with a growing number of requests from employees to better reconcile work and family life.

Finally beyond demographic trends, companies must also meet the growing desire of people to become involved in civil society. As mentioned in the introduction, the EU is currently thinking about modernising the labour market,

14. Ageing characterises the demographic perspectives of the European societies - Issue number 72/2008, Konstantinos Giannakouris, Eurostat, Collection "statistics en brief", 26/08/08 (<http://tinyurl.com/y8prkqv>)

in line with the principles of flexicurity. This encourages employees to consider a career from a more dynamic perspective, combining periods of work and life-long training.<sup>15</sup> The training "*refers to all forms of education,<sup>16</sup> educational and vocational training, non-formal education and informal learning undertaken throughout life in a personal, civic, social and / or professional context, leading to improved knowledge, skills and competencies*".<sup>17</sup> Here, work-life balance policies enable the value of experience acquired by employees outside the workplace or formal training programmes to be recognised.

### School vouchers (Cheques Escolar) with the Regional Board of Education of the Community of Madrid

With a budget of 28 million euros, the Regional Board of Education of the Community of Madrid provides assistance to more than 25,000 families with children under 3 years old for enrollment in private schools. The network consists of 800 private childcare centers.

Specifically, parents receive a book of 11 vouchers for an amount between 95 and 160 euros which they remit each month to an approved childcare center.

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15. On this subject see, "The development and validation of non-formal and informal experience: a solution for the European labor market?" published by the European Think Tank *Pour la Solidarité*, which focuses on recognition of professional and non-professional experience as part of the revitalisation of the European labor market.

Within the context of actions of European institutions, the implementation of the "open method of coordination" in the areas of training and education has enabled the setting of common objectives before achievement by Member States, including in the Education and Training 2010 programme.

16. There are three types of education that provide experience to the worker:

- Formal education generally takes place in schools, universities or training institutions and leads to a diploma or certificate.
- Non-formal education includes free adult education through study groups, projects or discussion groups. They advance at their own pace and do not include an examination at the end of the programme.
- Informal education is present everywhere: in families, in the workplace, in NGOs or in theater groups. It may also refer to activities performed at home, like reading a book. This third type of education should not be overlooked with, in particular, improved access to culture and increased volunteerism and participation in civil society.

17. [http://ec.europa.eu/education/programmes/llp/guide/glossary\\_fr.html](http://ec.europa.eu/education/programmes/llp/guide/glossary_fr.html)

### Training vouchers in the Flemish region and with Forem (Regional Office of Training and Employment) in Wallonia

In Belgium, the Walloon and Flemish regions have sought to encourage small and medium-sized companies and independent firms to benefit regularly from quality training programmes to increase competitiveness.

In Wallonia, 9,000 employees of small and independent companies benefit from the programme while 30,500 employees participate in the Flemish region. Each region has introduced training vouchers, provided in electronic form in the Flemish region. Each voucher corresponds to a value of 30 euros for one hour of training, with 50% of the voucher's value supported through regional funding and the remainder covered by the company. Vouchers can be used in any training institution approved by the region, with 280 training organisations in Wallonia and 1,250 in the Flemish region.

### III) Instruments for greater flexibility in working hours

Work-life balance measures thus are aimed at establishing a more modern and flexible organisation of work and constitute an important tool for managing human resources. They can include, in particular, the restructuring of work time according to the organisational needs of the business and changes in the activity and / or the life cycles of employees. These measures are therefore an effective method to reduce overtime, absenteeism at work, transportation delays, etc.

What tools are being used?<sup>18</sup>

At the European level:

At a first level, flexibility with regard to working hours is organised under European law which constitutes a common basis for measures governing working hours in all Member States, organised primarily around two directives:

- 1) The directive on working hours of 1993,<sup>19</sup> which sets minimum requirements for working hours and health and safety in the workplace. It determines the minimum periods of breaks during the work day (at least 11 hours) per week, annual leave, night work (8 hours maximum) and a maximum work week of 48 hours (calculated over 4 months). But significant exceptions are possible such as, for example, the "opt-out". This clause provides an exception to the rule of a maximum 48-hour work week, with the agreement of the employee (with no ceiling), and exists in 15 Member States. Thus, broad differences exist in the effective legal work time by country and sector, as noted by a study published in 2009 by Eurofound (European Foundation for the Improvement of Living and Working Conditions) on working hours in the Member States.<sup>20</sup>

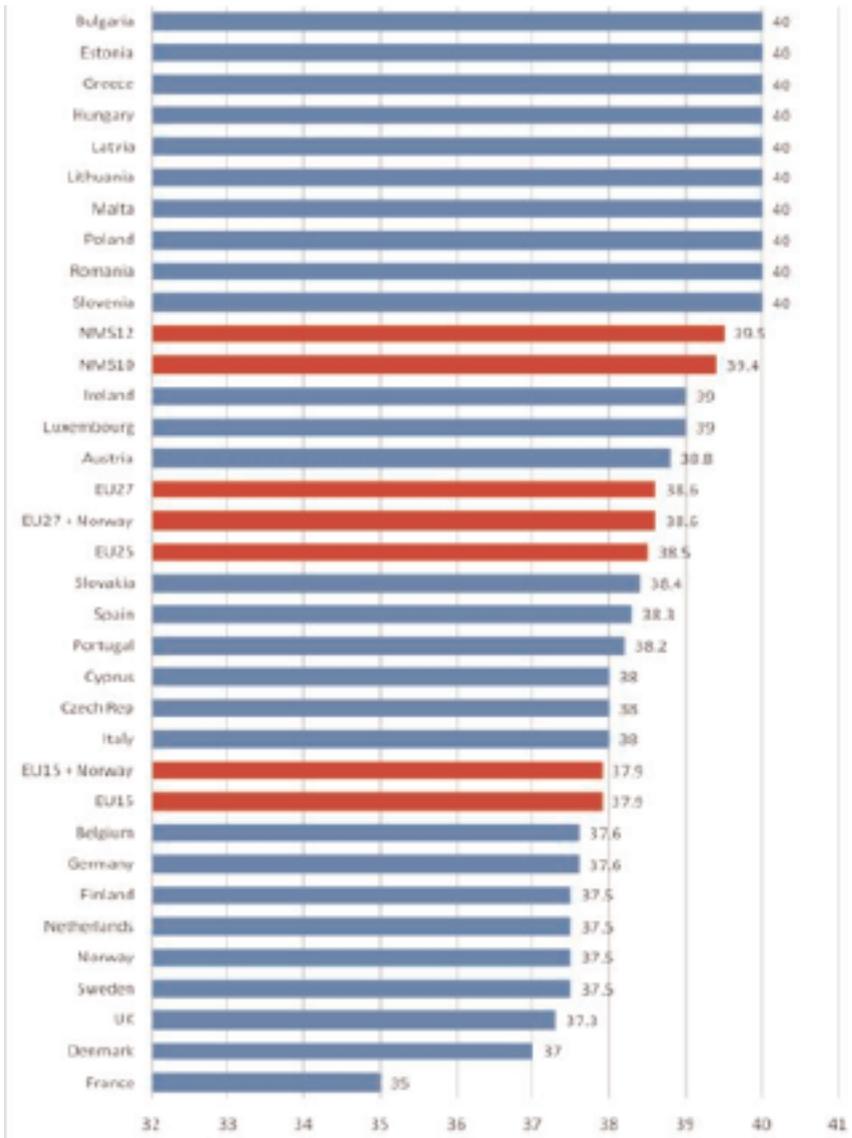
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18. For an overview of European directives concerning the different forms of work organisation, see "Work-life balance in community social law."

19. A proposal to amend the directive failed last April. It stipulated that employees should not work more than 48 hours per week (calculated over a period of one year) and did not include the final repeal of the opt-out clause. Directive 93/104/EC of November 23, 1993 concerning certain aspects of the organisation of working hours.

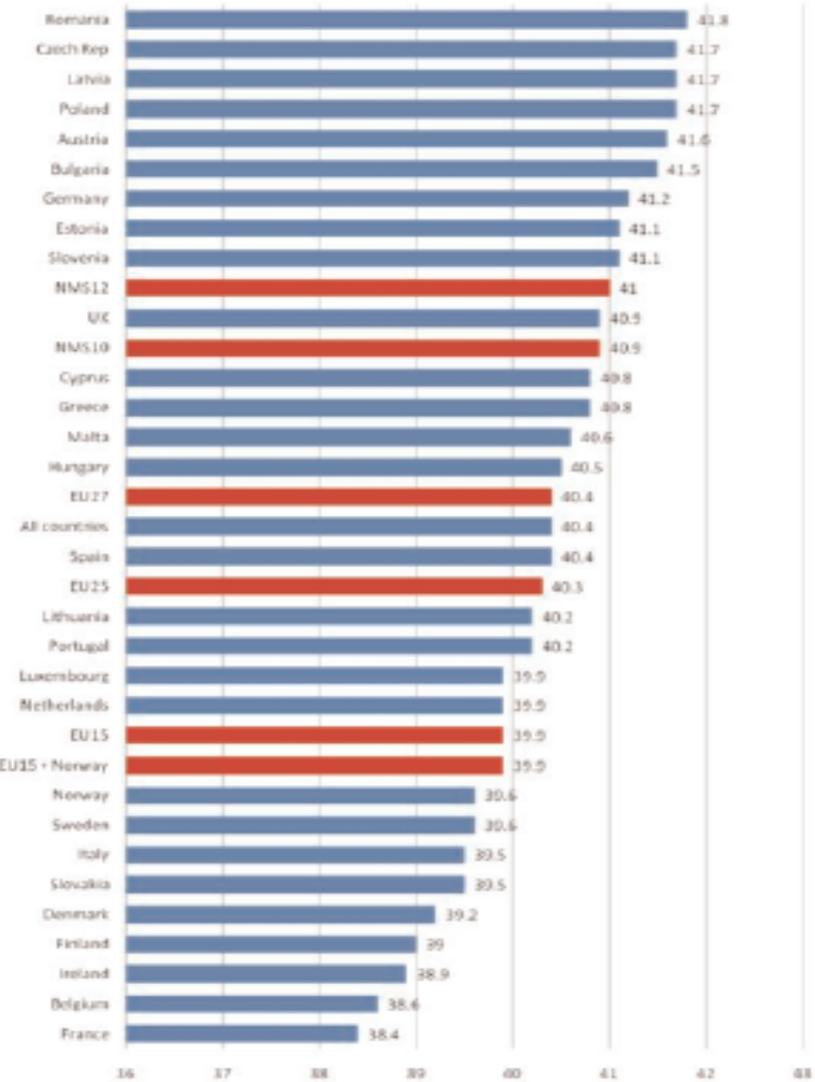
20. Carley M., 2009, "Working time developments - 2008".

### Average weekly hours of work according to collective bargaining agreements, 2008<sup>21</sup>



21. Ibid.

**Average hours actually worked in most jobs by full-time employees, third quarter 2008<sup>22</sup>**



22. Ibid.

- 2) The directive on part-time work of 1997.<sup>23</sup> This is encouraged by the European Strategy for Employment<sup>24</sup> as a means to address the issue of work and family with a goal of increasing the participation of women in the labour force. But it also is a way to respond to the organisational needs of businesses as a tool of labour flexibility.<sup>25</sup> *"According to executives, part-time work responds primarily to company needs in 34% of establishments, while in 39% of cases, it responds primarily to the wishes of employees; 21% believe that both reasons are equally important".*<sup>26</sup>

However, this study also adds that "When part-time work addresses the needs of the company, it is more often correlated with atypical working hours (night or weekend work), working in teams and reduced possibility of schedule changes".<sup>27</sup> Part-time work thus is paradoxically both an instrument for promoting work-life balance as well as an obstacle.

Part-time work must be the result of a genuine dialogue between employer and employee. Yet, it may be imposed, especially for unskilled labour and in poor quality or even precarious conditions.<sup>28</sup> It also confirms gender stereotypes by being generally associated with employment of women. Employers must ensure equal treatment between full-time and part-time employees in terms of pay, hours, careers or training.

## Implementation at national or local levels

While European measures define a framework common to all Member States, the flexibility of working hours is organised mainly according to company-specific procedures or collective bargaining agreements.

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23. For more on part-time work, see "Legal approaches to some aspects of the reconciliation of work, private and family life in thirty European Countries", 2006.

24. The Treaty of Amsterdam having introduced in the Treaty establishing the European Community a new Title VIII on "Employment", coordination of employment policies of Member States became a community priority. It was on the basis of these new provisions that the European Council in Luxembourg in November 1997 launched the European Employment Strategy (EES), also known as the "Luxembourg Process". The EES is an annual programme for planning, monitoring, review and adjustment of policies put in place by Member States to coordinate their measures to combat unemployment.

25. Jönsson A. and Morel N., 2006, Gender and reconciling family life balance - working life in Europe. A comparison of policies in France, Sweden and the United Kingdom, European Policy

26. Legal approaches to some aspects of the reconciliation of work, private and family life in thirty European Countries, 2008.

27. Ibid.

28. Ibid.

Most companies implement compensation measures that are more or less flexible, such as:

- enabling employees to adjust, within limits, their hours of arrival and departure adapting, for example, to school schedules;
- offsetting hours accumulated with equivalent reductions in working hours on other days or weeks;
- annualisation of working time;
- compressed work weeks;
- time savings accounts that enable employees to save time off (vacations, days off ...) and money (conventional bonuses, 13th month salary, incentive bonuses...) for later use. Account savings can be used by the employee in monetary form or to offset all or part of a period of unpaid leave (parental leave, sabbatical...), a period of training outside working hours, a transition to part-time status or a gradual or total cessation of activity.<sup>29</sup>

All of these options enable as much work as wanted but adapted to the employee's life and needs. Thus, "of 21 EU countries, 48% of employers of ten or more employees reported the existence of such arrangements in their establishment. The least flexible form (same day offsets with staggered schedules) is the most widespread, followed by opportunities to accumulate hours for use as extended holidays (time savings accounts, annualised work)".<sup>30</sup> In France, the Parenting Institute ([www.observatoire-parentalite.com](http://www.observatoire-parentalite.com)) encourages companies to adopt such measures, through the signing of a charter and the presentation of existing best practices in this area.

Finally, working flexibility may also involve adapting jobs by such means as having two people sharing the same position in the company, but this is rare except in Germany and Italy.

Much work remains to be done with regard to adaptation of jobs and many disparities remain in this area in Europe. In the Member States, "*only about one quarter of employees aged 25 to 49 years, that is to say, the age group for which*

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29. <http://tinyurl.com/yehyk6f>

30. "Taking account of the family life of employees by companies: a European comparison", Research and Outlook, June 2008: also offers more specific figures following the various models adopted by Member States (Scandinavian, Mediterranean, etc.), and differences across companies.

*the care of children is a major problem, had some flexibility in their work schedules in 2004, in that they could "save" hours worked for later use as free time (12%) or could vary their programme of work (10-12%). A slightly smaller proportion of women than men (24% versus 27%) benefited from flexible arrangements". (Eurostat, 2008).*

The contribution of information and communications technologies (ICT)

ICT offers useful solutions for adapting the organisation of work such as, for example, through telecommuting. It also can help support the administrative aspects of work-life balance measures in being more responsive. If an employee departs in case of an emergency, they can quickly advise fellow employees. If this absence is prolonged, ICT enables Human Resources to better respond through faster access to the schedules and availability in order to make substitutions or modify the schedules and duties of another employee. Finally ICT can have a valuable environmental effect in limiting employee travel between the workplace and home. In Belgium and Spain, for example, there are attractive tax schemes that help firms to fund the connection of broadband lines for their employees, which promotes telecommuting.

## IV) The creation of new growth-generating business areas: the sector of personal services<sup>31</sup>

All of these changes within society and the adjustments for which they call should be regarded as opportunities to be seized by companies. As we have seen, the implementation of work-life balance measures makes companies more attractive and more competitive, but that is not all. The increased participation of women in the labour market, the ageing of the population and the increasing number of single parent families implies the emergence of new needs from a more active clientele. Better account must be taken of these changes in areas such as through job adaptation and access to ICT, which requires development of new job creating services.

These changes also generate new demand in terms of personal services. These relate to "*services that, on the basis of geographic and / or relational proximity, meet collective or individual needs that are either new or that are responded to inadequately at present*".<sup>32</sup> There are three types of personal services: social services (personal care, childcare, dependent care ...), traditional services such as housekeeping and "new services" that are more complex (business concierge services ...). They improve the daily lives of employees and help them to better reconcile work and family life. Currently, these services are provided by three types of providers: public – particularly local – authorities, large private companies, and social organisations and associations.

### Disparities at the European level

The names and functions of these personal services vary greatly depending on the role played by the state in the society. We speak of personal services, outreach services and services related to dependency. They may be more or less funded by public authorities, to specifically address certain social groups or not. "Some countries, like Sweden or Denmark, have favoured public intervention while the Anglo-Saxon model focuses more on the private sector. Mediterranean countries (Italy and, to a lesser extent, Spain) rely more on family solidarity, while the Continental model, adopted particularly by Belgium and France, responds to the demand".<sup>33</sup> This affects the demand for

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31. To go further on the role and the sector of personal services in Europe see "personal services in European policies", 2008.

32. National legislation regarding personal services - Towards a European approach, European personal services network, 2009, a study coordinated by *Pour la Solidarité*.

33. Idem.

services which varies considerably from one country to another. Significant in Ireland, Portugal, Belgium, Denmark and France, the demand remains relatively low for Italy and is growing in Spain. For beyond the possibility of having access to these services, there is also the question of cultural barriers that may persist in certain Member States. In Latin countries, for example, family solidarity remains very important and the use of such services is little or even negatively perceived.

In addition, we observe in almost all countries a lack of quality and affordable services, especially for childcare and care for dependents and the elderly.

#### Service Vouchers and Belgium's National Office for Employment (ONEM)

A system of service vouchers was implemented by the Belgian government in 2001 to facilitate access to household assistance with three objectives:

- Promote the development of services and close proximity jobs in stimulating demand
- Create new jobs
- Combat illegal jobs

The service voucher is a means of payment, subsidised by the state to pay benefits for services provided in close proximity, in or outside the home (cleaning, laundry, ironing, mending, cooking, household shopping, escorted transportation ...). These must be performed by a worker with an employment contract with a service voucher company authorised by ONEM, which is responsible for the programme.

At present, a voucher is bought for € 7.50 by the user who is entitled to one hour of assistance at € 20.80 with the state paying the difference directly to the authorised company. In addition, the user's participation is tax deductible up to 30% of the voucher's value.

This programme has been such a success since it was established that the portion of the voucher funded by the user was increased from € 6.20 to € 6.70 in 2005, to € 7 in 2008 and to € 7.50 today.

At the end of July 2009, ONEM's statistics department counted 2,369 authorised companies across the country, with 16,480 new users during the month, 615,371 active users over the past 12 months and 214,112,641 vouchers reimbursed since the establishment of the programme.

## Considering personal services within the European debate

It should be noted that the issue of personal services is part of the wider debate underway within Europe on the liberalisation and modernisation of services, particularly social services.<sup>34</sup> The Commission's Communication on Services of General Interest and Social Services of General Interest of 2007 represents an important step in the consideration of social services at the community level, especially with regard to personal services. These services are described as drivers of solidarity, cohesion and proximity in Europe. However, they are considered only in terms of offers of care and not in terms of comfort services. This definition thus does not cover all the realities of personal services in Europe.

Personal services respond, however, to new and growing needs within society in areas as diverse as health care, domestic help and concierge services. This market has strong growth potential in terms of jobs, as recognised in 1993 by the European Community in the White Paper on Growth, Competitiveness and Employment. Given the differences between the various Member States mentioned above, European legislation can promote development of a real market for personal services in all European countries and thus support growth and create new jobs.

It is important to add that these services also contain significant advantages in terms of cohesion and territorial development by creating new jobs that cannot be relocated and that have a relatively low cost of market entry. Similarly, providing multiple and varied personal services can be a rationale for helping to attract new businesses to a territory. In this way, they help with the sustainable revitalisation of an area.

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34. "What are general interest social services (SSIG)?"

*These are services such as childcare, housing, housing assistance, employment assistance and measures against social exclusion as well as support services to families and individuals in need, such as long-term care. They especially aim to ensure a high level of social protection, employment and equality. These services are non-profit, and the provider is often close to the recipient".* Commission Communication on SSIG.

## Professionalisation of the sector

This sector now needs greater recognition to develop its full potential. Personal services jobs often are stigmatised, informal, poorly protected and can involve precarious working conditions. This means, for example the absence of social protections and pension contributions for undeclared workers. These employees do not generally have any effective protection against atypical schedules, dismissal, etc. In some re-employment associations, services also are considered as a means to return people seeking employment to work and this only through temporary employment contracts.

To fight against this uncertainty and these biases, measures are needed to promote the professionalisation of the sector. This starts with better training of service workers. These services are often associated with care-giving that must be performed by skilled workers who have little time to invest. Such jobs should be viewed in terms of a career rather than as an interlude.

Public authorities have the opportunity to help develop this sector, first, by making visible the efforts being made on training and on the quality of offers. This can be done through labelling or accreditation of providers.

Support for the development of this sector also must be financial. Support for these services is needed to ensure their sustainability. This requires the stimulation of demand (households) and supply (providers) but also direct funding by governments or companies.

### Professionalisation through certification and labeling in France

#### Labeling

In France, companies or organisations providing residential personal services must be licensed. Licenses, either "simple" or "quality" (for services to vulnerable people: children under 3, the elderly and people with disabilities) are issued by a local office of the national government, after a review of the application. For a quality license, the file must meet specific qualitative criteria. Approved licensees are subject to annual qualitative and quantitative reporting. Licensees seeking to be listed in national reference sources require approval which qualifies them for tax and social benefits.

## Certification

Service certification is a voluntary initiative, outlined under the Consumer Code and validated by consumers, public authorities, industry professionals and quality experts. It provides a guarantee to customers regarding the level of service offered. Certification, valid for a period of three years, requires compliance with all commitments defined through the certification service.

Each year a certification entity verifies compliance with these commitments. There are currently two: NF Services' "Residential personal services" and the Qualicert certification.

The introduction of measures to promote work-life balance therefore presents many interests in terms of growth. However, this is not the only consideration here. These policies also reinforce social cohesion through the promotion of solidarity between generations and gender and the fight against social exclusion.

## Part 2: Employment and equal opportunity as factors in social cohesion

The European Social Agenda expresses the commitment of the EU to develop the European social model. It aims to build "harmonious societies based on cohesion and inclusion that respect fundamental rights and are part of healthy market economies". Social cohesion is also part of the Lisbon Strategy as a necessary complement to the economic vitality of the European Union. It is reflected in the establishment of political inclusion for specific groups through training and modernisation of social protection.

By facilitating the different cycles of life, reconciliation policies put in place measures to promote solidarity between generations and genders and to build trust between employers and employees. They also encourage the creation of quality jobs that consider the needs of both employees and employers. In this way they contribute to strengthening social cohesion in Europe.



## I) Gender equality in professional and private life<sup>35</sup>

From the perspective of strengthening social cohesion in Europe, work-life balance policies promote gender equality, in both professional and private life, which offer many advantages for the EU.

### Persisting inequalities

The lower participation of women relative to men in the labour market is a sign of remaining inequalities between the sexes, both in the workplace and in the private sphere.

In the sphere of employment, discrimination against women is both:

- vertical (glass ceiling)<sup>36</sup> -- i.e., the difficulties they have and that are imposed on them in order to reach senior positions;
- horizontal -- with a low representation of women in certain economic sectors and segregation according to the type of employment contract.

Thus the majority of part-time (and thus often unstable) jobs are held by women (76.5% of part-time jobs in 2008).<sup>37</sup> They also often retire earlier from the labour market and take longer parental leave. All of this has consequences for their careers, salaries and pensions. *"In the EU as a whole, the average gross hourly earnings of women (aged 16 to 64 years and working 15 hours or more per week) were on average 15% less than men in 2005".*<sup>38</sup>

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35. "Professional life and birth: the burden of reconciliation is primarily on women", 2006. This document allows us to consider the impact of gender differences in promoting work-life balance in the case of France.

For a broader view see: European Commission, 2008, Report on gender equality, COM (2008) 10: containing a section on reconciliation.

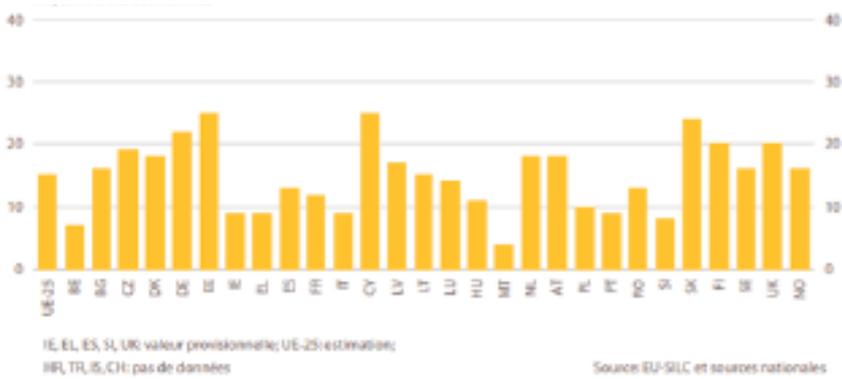
36. The subject of a March 24, 1986 article in the Wall Street Journal, the "glass ceiling" is the colourful term to describe the phenomenon that impedes women's careers and whose consequence is the scarcity of their presence at the highest levels of businesses, organisations and public institutions. It is a set of invisible barriers created both by prejudice and stereotypes and by the way organisations function.

37. Report on gender equality.

38. Demographic profile of Europeans, statistical study.

### Pay gap between men and women in 2005<sup>39</sup>

*Difference between average hourly wages of men and women as a % of the average hourly wage for men*



Yet it is not enough to act against discrimination in employment and labour. *"The differences regarding segregation by gender, whether horizontal or vertical in the labour market tend to reinforce the current gender division between paid and unpaid work. The persons earning the highest salary in the household, most often men, are often in a full-time job, even if the need arises for more care or attention to children, dependents or elderly"*.<sup>40</sup> It appears that a comprehensive approach to gender equality which would link the professional world and private life is necessary.

An unequal division of labour within the couple makes it difficult for women to balance career and family life. *"A study of 14 EU countries showed that women spend an average of about two hours and 40 minutes more per day doing housework than men. Women in particular spend more time cooking, cleaning and doing dishes, all while caring for children"*.

Employment of women is crucial in today's Europe

Improving gender equality is of major interest for the European economy. Since 2000, employment of women has been the main engine of job growth.

<sup>39</sup>. Report on gender equality.  
<sup>40</sup>. "Legal approaches to some aspects of the reconciliation of work, private and family life in thirty European Countries", 2008.

Between 2000 and 2007, 14.6 million jobs were created, including 9.2 million for women. Despite these good results, however, growth potential could be better exploited. Thus, *"in the EU27 in the third quarter of 2007, the employment rate for women aged 15 to 64 years was 58.8%, versus 73.2% for men. Denmark and Sweden (73.3% each) and the Netherlands (70.1%) had the highest employment rates of women, and Malta (37.5%), Italy (46.9%) and Greece (48.2%), the lowest"*.<sup>41</sup> Women still represent a significant pool of available labour.

In the Roadmap for Gender Equality for 2006-2010, the Commission deplores this situation: *"the current situation of women in the labour market does not fully reflect the progress made by women in key areas of the Lisbon Strategy such as education and research. It is a waste of human capital that the EU cannot afford. At the same time, low birth rates and a shrinking workforce threaten the political and economic role of the EU"*.<sup>42</sup>

The issue of employment of women bears also on improving the birth rate in Europe. We note in particular that the employment rate of women varies significantly by age and number of children: it is especially lower with the arrival of children.<sup>43</sup> After birth, most women leave their jobs or reduce their working time. Yet, as noted by the Commission: *"there is clear evidence of fertility rates and higher female employment in Member States that have effective policies for women and men to balance work and family responsibilities"*. In this context, work-life balance measures may help women to have as many children as they wish while still pursuing their careers.

Work-life balance policies are essential to enable women to have better access to the labour market and, thus, to participate in the dynamism of the European economy.

What tools does the EU provide in terms of gender equality?

The EU has since 1957 been very active in terms of equality of men and women, particularly, from the beginning, as regards equal pay.

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41. European Commission, 2008, Report on gender equality, COM (2008) 10.

42. Roadmap for gender equality for 2006-2010.

43. *"Among women born between 1955 and 1985: 38% do not work the year following the first birth, 51% following the second and 69% following the third. (they are inactive, on parental leave or unemployed)". "Professional life and birth: the burden of reconciliation is primarily on women (September 2006)"*.

Gender equality is promoted at the European level in the treaties through legislation on equal treatment within Articles 2<sup>44</sup> and 3<sup>45</sup> of the Treaty of Rome of 1957. It also is found in Article 13 of the EC Treaty, which seeks to fight all forms of discrimination based on "*sex, race or ethnic origin, religion or beliefs, disability, age or sexual orientation*".<sup>46</sup>

The EU also promotes gender equality through a number of decisions and processes:

- > the Lisbon Strategy recommends that States take measures necessary to ensure that the employment rate of women reaches 60% by 2010;
- > the Brussels European Council of 2006 adopted a European Pact for gender equality encouraging Member States and the EU to take measures fighting against professional inequalities and promoting a better work-life balance.
- > the Commission has developed the "Roadmap for gender equality for 2006 - 2010" which sets the following 6 priorities to be followed for the EU:
  - achieving equal economic independence for women and men;
  - improving work-life balance;
  - promoting equal participation of women and men in decision-making;
  - eradicating gender violence and trafficking in human beings;
  - eliminating stereotypes;
  - promoting gender equality outside the EU.

The EU acts through its common programmes and initiatives such as the programme for employment and social solidarity, PROGRESS.<sup>47</sup> This also applies to implementation of actions supported through European structural funds in that the fight against discrimination represents a transversal priority.

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44. "The Community has as a mission, by establishing a common market, an economic and monetary union and by implementing policies or activities referred to in Articles 3 and 4, to promote throughout the Community harmonious, balanced and sustainable economic activities, a level of employment and social protection, gender equality, sustainable and non-inflationary growth, a high degree of competitiveness and convergence of economic performance, a high level of protection and improvement of environmental quality, increasing the level and quality of life, economic and social cohesion and solidarity among Member States".

45. Section 3 provides details on the policies of the EU in order to achieve the objectives set out in Article 2.

46. It also refers to gender equality in the articles 136, 137 and 141 of the EC Treaty.

47. It aims to provide financial support for actions in the field of employment and social issues for 2007-2013.

## Existing work-life balance measures available to promote gender equality

What are the tangible steps to implement these goals? First, there are many approaches to facilitate the different spheres of life of employees:

- The framework agreement concluded in 1995 (as amended by an agreement in 2009)<sup>48</sup> by the social partners defined the bases of parental leave at the European level.<sup>49</sup> Its duration is at least 3 months and it contains safeguards against dismissal and demotion within the company. It provides for the right to be absent from work for urgent family reasons. Conditions of access and modalities of implementation are then fixed by collective bargaining agreements at the national level;
- Maternity leave<sup>50</sup> is a period of at least 14 weeks in the EU, two weeks of which cannot be compressed;<sup>51</sup>
- Paternal leave, recognising that several European countries already encourage fathers to take time off through the introduction of short periods of parental leave for their exclusive use;
- Adoption leave, similar to parental leave;
- "Filial" leave introduced in some States to care for family members.

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48. The European Commission proposed last July 30, following the amendment of that agreement by the social partners, a directive to define the new parental leave arrangements at the European level. It extends parental leave to 4 months and its application to all types of workers, irrespective of the nature of their contract. It also increases the guarantees made to employees when taking parental leave in terms of pay and career opportunities.

49. The Commission wishes to strengthen the rights of the self-employed and partner-caregivers. It has proposed to make self-employed partner-caregivers eligible for social security, on a voluntary basis. The Parliament amended this proposal in May to make it compulsory.

50. Minimum rules on maternity leave are contained in the "Directive on the implementation of measures to encourage improvements in safety and health of workers during pregnancy, birth or breastfeeding" of 1992.

51. The European Commission made a proposal in 2008 to amend the provisions of Directive 92/85/EEC. It proposed to raise the minimum period of leave from 14 to 18 weeks and recommended to pay women 100% of salary (however, with the possibility for Member States to cap the payment at the level of illness benefits). In addition, women would have more freedom to choose the period in which they would take the non-compulsory portion of their leave (before or after birth) and would no longer be required to take a specific portion of their leave before birth, which is currently the case in France.

The Eurodeputies had proposed to amend this proposal. They wanted a minimum of 20 weeks of leave and mandatory paternity leave of two weeks but they finally decided in May to abandon this effort which had been criticised by many European countries.

Eurodeputies preferred to refer the text to the Commission, which will have to re-start the legislative process from the beginning with the chances for success uncertain.

Leave facilitates the reconciliation of work and family life; however, it also can reinforce in its way the segregation of women in the business world. It is women who take most of the leave. *"In 2003, in 15 Member States, 75% of fathers are aware of their entitlement to parental leave; 84% did not take leave; 40% for financial reasons and 30% for reasons of career".*<sup>52</sup> These figures show that fathers are still very reluctant to move away from the sphere of work.

It is therefore necessary to ensure that leave is taken more equally by men and women. How?

- some countries have introduced non-transferable leave;
- others have conducted communications campaigns to fight against stereotypes hindering men from interrupting their work for family reasons;
- new types of leave, more flexible, for shorter periods and adapted to temporary needs also could be considered;

These leave periods are mainly for families, although life outside work is also about private life. It would be interesting to reflect on leave that facilitates involvement in public life and civil society.

In the private sphere, work-life balance measures, thanks to personal services, allow women to better manage family life, but it also requires accountability of men within the family context in fostering a better distribution of tasks between the couple.<sup>53</sup>

Finally, equality also involves economic independence for women with the individualisation of social rights and tax obligations. This signifies no longer being dependent on her spouse and thus no longer risking a loss of rights in case of separation or premature death.

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<sup>52</sup>. European Commission, 2008, "New measures to better reconcile work and private life".

<sup>53</sup>. Legal approaches to some aspects of the reconciliation of work, private and family life in thirty European Countries, 2008.

### Cormurhex and support for parenting by the company (France)

To ensure better work-life balance, the French company Cormurhex has introduced measures to support parenting through a partnership between the HR department, managers and employees. An interview guide, developed to facilitate discussion, is transmitted automatically in situations of maternity, adoption or parental leave.

This has led also to the establishment of follow-up interviews:

- An interview before an employee leaves for maternity, adoption or parental leave that seeks to prepare the departure and collect the employee's expectations with regard to professional development
- An interview following the return from maternity, adoption or parenting leave to address the conditions for the resumption of work and possible training needs.

The employee may also ask to review their salary situation in connection with any remuneration policy actions taken during their absence.

[www.observatoire-parentalite.com](http://www.observatoire-parentalite.com)

## II) Generational equality within the company<sup>54</sup>

Work-life balance relates not only to gender equality but also to equality and solidarity between generations. Indeed, the ageing of the EU's population and life expectancy increases have consequences on employment, the economy and the sustainability of the social protection systems of Member States. *"We expect that the number of people over 80 will triple by 2050, reflecting the baby boom that occurred after the Second World War. This means in practice that there will be only two persons of working age for every citizen over 65 compared with four at present"*.<sup>55</sup> We must therefore adapt to a changing population. But instead of viewing this development as a problem, it should be considered as an opportunity for the EU.<sup>56</sup>

What do work-life balance policies contribute?

Keeping employees older than 50 active longer supports growth by increasing the available workforce. These workers benefit from better incomes, thereby preventing poverty among those over 50 and also encouraging them to consume. The so-called "silver economy" whose development has been observed for several years, envisions the elderly as a group of consumers with special needs generating new potential employment (e.g., in the field of personal services).

Work-life balance policies also respond to a specific need for this class of employees. With longer life expectancy and the gradual increase in the age at which young people begin working, the concept of the pivot generation has emerged. As Clothilde Lemarchant explains: *"It is felt by adults who face a double dependency: from their parents' generation and from their children. This pivot generation faces heightened demand from within the family given the longer life expectancy of seniors and the increased difficulty for young people to enter the labour market. Thus [...] many parents at the threshold of retirement are solicited from above by their elderly parents becoming dependent and from below by some of their children suffering the brunt of employability difficulties"*.<sup>57</sup> This pivot generation thus faces new needs requiring:

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54. Statistics in brief, population and social conditions - Transition of women and men from work to retirement, 2007.

55. <http://tinyurl.com/ycljqud>

56. Several communications from institutions raise this subject, most specifically: European Commission, 2006, The demographic future of Europe, from challenge to opportunity, COM (2006) 571.

57. C. Lemarchant, "Families and generational inequality", Les cahiers français, 2004, p. 39-45.

- more opportunities for offsetting the costs of dependency;
- better offerings of assistance services for dependents;
- more flexibility in adapting jobs.

Work-life balance policies may provide answers in these three areas.

#### The “Increased Mobility” Cesu and the Federation AGIRC - ARRCO (France)

AGIRC - ARRCO is an organisation that brings together institutions of supplementary retirement for employees and managers. Its role includes the design of programmes to improve the lives of retirees. The “Increased Mobility” initiative has been designed for recipients of these supplementary pensions over 80 with limited mobility, representing approximately 20,000 beneficiaries. It allows them to move about by funding the provision of accompanied transportation.

This programme relies on the Cesu (Chèque Emploi Service Universel). Retirees contact their pension fund which sends a checkbook of €150 Cesu vouchers and the coordinates for the “Increased Mobility” service. This experiment was conducted in 2008 in 40 metropolitan departments and is being expanded throughout France.

What are the tools and actions to promote equality between generations?

The EU has developed a number of measures and programmes to adapt to these changing demographics, primarily within the **legal framework**:

- Article 13 of the Treaty establishing the European Community gives the EU the power to combat discrimination based on sex, race, religion, disability, age or sexual orientation.

The directive of November 27, 2000 establishing a general framework for equal treatment in employment and work is a complement to this article. It prohibits employment discrimination with the intended implementation by Member States of the principle of equal treatment.

- The European Strategy for Employment (SEE) for 2003-2010 commits Mem-

ber States of the EU to "*promote an active ageing process, including promoting the working conditions leading to continuance in the work force, such as access to vocational training, recognition of the special importance of health and safety at work and innovative and flexible forms of work organisation, and in eliminating incentives for early exit from the labour market, particularly through the reform of early retirement schemes and ensuring that it is financially advantageous to remain active in the labour market as well as in encouraging employers to call on older workers*".

- The Green Paper "Confronting demographic change: a new solidarity between generations"<sup>58</sup> led to the Commission's Communication, "The demographic future of Europe - from challenge to opportunity"<sup>59</sup>, which proposes a comprehensive approach to address the challenges of an ageing European population.
- The renewed Lisbon Strategy aims to raise employment rates to offset the declining working age population. It sets a target of achieving a 50% employment rate among those 55 - 64 by 2010.
- The Open Method of Coordination on social protection and social inclusion.<sup>60</sup>

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58. European Commission, 2005, Confronting demographic change: a new solidarity between generations, COM (2005) 94.

59. "The Ageing demographic suggests the strategic importance of increasing the participation rate of women and men over 55. This will require major reforms to eliminate incentives for early exit from the labour market and encourage the employment of older workers. We must also ensure that it is indeed possible to work longer and that all public policies expand employment opportunities for older workers".

European Commission, 2006, The demographic future of Europe, from challenge to opportunity, COM (2006) 571.

60. The general objectives of the OMC for social protection and social inclusion are:

- a) promote social cohesion, gender equality and equal opportunities for all through social protection systems and social inclusion policies that are adequate, accessible, financially sustainable, adaptable and effective;
- b) promote effective and mutual interaction between the Lisbon objectives aimed at stimulating economic growth, improving the quantity and quality of employment and strengthening social cohesion, as well as the EU sustainable development strategy;
- c) improve governance, transparency and participation of stakeholders in the design, implementation and monitoring of policy.

The methodological framework is a comprehensive list of primary and secondary indicators constituting a transversal portfolio covering three major themes (social inclusion, pensions, acute and long term health care).

For more information: see the Commission Communication, "A renewed commitment to social Europe: Reinforcing the Open Method of Coordination for Social Protection and Social Inclusion", 2008, COM (2008) 418.

The EU also acts through **various European programmes**, such as:

- > The 2010 initiative<sup>61</sup> which is the strategic framework of the European Commission setting out the broad policy guidelines for the information society and media. It is in this context that the plan of action "AgeingWell in the Information Society" was established. It aims to promote and coordinate the development of ICT related services to seniors in the EU, to enable them to:
  - extend their professional activity, while also ensuring a balance between an active life and work;
  - remain socially active and creative, through a communications network and access to public and commercial services in order to reduce the social isolation of seniors, particularly in rural areas;
  - Ageingwell at home: ICT should help increase the quality of life and independence.
- > Increased support to Member States to promote actions in favour of equality between the ages by strengthening the European Social Fund and life-long training for the period 2007 - 2013.
- > Actions for improving public health in Member States so that seniors are healthier longer and can, if they wish, remain active. This is reflected both in measures to improve the provision of care to seniors as well as through communication campaigns to fight against obesity, smoking, cardiovascular disease, etc.

Since 2000, the promotion of equality between generations also has been carried forward through implementation of a strategy called "active ageing".<sup>62</sup> For the European Commission, it is a comprehensive and sustainable approach that goes beyond legal reforms alone. Persons who want to work longer should not be faced with discriminatory prejudices, should be well-prepared through the updating and enhancing of skills acquired over time, have access to flexible retirement schemes and be not only physically and mentally healthy, but also expect to continue living in this state for a long time.

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61. This integrated policy seeks to encourage knowledge and innovation to support growth and create more and better quality jobs. See Commission Communication of June 1, 2005 to the Council, the European Parliament, the European Economic and Social Committee and the Committee of Regions entitled "i2010 - A European Information Society for growth and employment", COM (2005) 229.

62. Commission Communication: "The demographic future of Europe, from challenge to opportunity", COM (2006) 571.

The European Commission has made **several proposals** for promoting the continued employment of workers over 50.<sup>63</sup> Suggestions include:

- postponing the effective age of retirement: the 2002 European Council of Barcelona concluded that "by 2010, a gradual increase of approximately 5 years in the effective average age at which people stop working in the European Union was needed";
- improving safety conditions and the organisation of work such as by adapting jobs for seniors;
- the need for training as a process that occurs throughout the career and valuing the experience of workers over 50;
- best practices in managing ageing issues within companies, which includes putting in place comprehensive strategies connecting all age groups within the company;
- modernising social protection systems to delay the effective exit age from the labour market. This can be expressed through a review and re-weighting of seniority factors in pay and pension rights to be higher for those who stay longer at work;<sup>64</sup>
- retirement plans involving flexible phased retirement and part-time work; measures to change the negative images of older workers in particular by implementing more stringent measures to encourage businesses to hire more workers aged 55 and older.

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63. Commission Communication, 2004, "Increasing the employment of older workers and delaying the exit from the labour market", COM/2004/0146 final.

64. For example, Belgium has introduced a bonus system to assign additional rights to those who continue to work after reaching age 62 or after 44 years in a career. It has established a bonus linked to well-being based on length of service.

### The "change 4 life" campaign in the UK

The National Healthcare Service (Britain's social security) developed the change4life communications campaign to encourage people to adopt healthier lifestyles. The campaign emphasises that our behaviour with regard to physical activity and diet (too rich, too plentiful) has health consequences and may, if not adjusted, lead to cancer, obesity and heart disease.

The campaign was carried out via television commercials, campaign posters, the media and a website providing a range of practical tools to help change dietary habits and encourage sporting activities (meals record-keeping, games, assistance in locating nearby sports facilities, etc.).

[www.nhs.uk/Change4Life](http://www.nhs.uk/Change4Life)

### Deutsche Bank and the comprehensive approach to diversity in business (Germany)

Deutsche Bank has put in place since 2001 a new age policy which encourages a holistic approach to diversity in the workplace, including a more specific policy toward older workers. For the time being, it involves only customer relations and marketing managers.

The idea is to prevent stigmatisation of a particular group and focus on performance in considering heterogeneity as a productive force. Diversity is seen as an opportunity to strengthen accountability, performance and the learning capacity of all.

The company is now promoting lifelong training, skills transfer, work-life balance measures and enhancement of a company culture that fosters diversity. We can mention two strategies in particular:

- "Know-how tandems" are based on the cooperation of a more experienced senior employee with a junior employee, specifically in the area of customer relations. This provides a combining of views which may be different between generations. In addition, everyone benefits from the

combined skills: the relationship with customers, ICT, etc. The bank has noted that this model was very popular with customers.

- The model "x% job:" an experienced employee spends part of their time working (usually two to four hours per week) outside their area of activity to accumulate new knowledge and improve cooperation between different units.

### III) The issue of social protection, family and tax policies<sup>65</sup>

In order for work-life balance measures to be effective, they must meet the needs of employees and employers but also be practically accessible. Social protection and tax systems play an important role in the result that can be achieved through work-life balance policies.

#### Limitations posed by social benefit policies

Examples include holidays. Some do not offer income guarantees or rights to adequate social benefits, making access difficult.<sup>66</sup> In many countries, employees on leave are protected against layoffs, reducing the risk of unemployment (Czech Republic, Greece, Sweden, etc.). But this is not the case everywhere. In France for example, specific protections against layoffs during periods of leave are absent, except in the context of pregnancy and maternal leave. Sufficient guarantees of income and employment protection are needed in order that flexibility is not viewed negatively by employees.

These policies and social benefits may also reinforce or prevent changes to traditional situations regarding generational and gender equality. As indicated by a 2007 OECD study on gender equality: *"the majority of OECD countries have adopted individual income tax systems that allow a lower rate to be applied on second earners' income (often mothers), which increases the economic significance of the second earners' activity. However, almost all provide some form or another of tax relief for inactive spouses or the provision of aid to families based on the combined income of both spouses. These provisions hardly provide financial incentives for the second earner to work or to work more"*.<sup>67</sup> The benefits also affect generational equality through the conditions for access and compensation at retirement, for example.

#### Modernising family policies and social welfare systems

It is therefore necessary to implement more modern systems that implement measures coherent with support for work-life balance measures. Flexicurity is

65. For a more in-depth comparison see, "Social protection: issues relating to flexicurity and active inclusion", from the MISSOC, 2008.

66. For a comparison between the various existing provisions regarding leave see, "Legal approaches to some aspects of the reconciliation of work, private and family life in thirty European Countries", 2008.

67. "Babies and employers - reconciling work and family life", a summary of results, 2007.

aimed at modernising labour markets, particularly in connection with reforming social benefits so that they are more effective. The principle is to guarantee a minimum income while encouraging employment through implementation of lifelong training policies and the adaptation to different employee life cycles.<sup>68</sup>

The EU has limited competence in this social area. However, through the Open Method of Coordination in the areas of social protection and social inclusion, it determines the main guidelines to be followed by Member States and enables an exchange of best practices.

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<sup>68</sup>. For more information on the position of the European Commission: "Modernising social protection for more and better quality jobs, a comprehensive approach to making work pay", 2003.

## IV) The battle against poverty and social exclusion

Work-life balance policies lead to a reflection on the quality of work, particularly on issues of salary, job security and working conditions. In this way, work-life balance measures strengthen social cohesion and solidarity both between generations and between genders.

Work-life balance measures also involve in-kind services and financial benefits from government and businesses to help employees combine the different phases of life. This includes, for example, housing subsidies, access to childcare facilities, funding for supplementary health insurance and financing children's studies.<sup>69</sup> By providing tangible support for the most vulnerable households, these measures contribute to reducing precariousness for workers.

### Nord-Pas-de-Calais region, France, and Equipment vouchers

The Nord-Pas-de-Calais region has implemented a programme to help young apprentices to buy their often expensive equipment (reference books, uniforms, professional equipment, etc.). 9,000 apprentices receive these equipment vouchers for use in a network of 150 partners. The value of the voucher depends on the type of training. Apprentices in commercial training receive 90 euros to buy textbooks; other apprentices receive 150 euros for the purchase of textbooks and professional materials (uniforms, equipment for butchers, hairdressers, etc.).

### The city of Pavia, Italy, and the Assistance Pass

The city has established the Assistance Pass to manage and monitor the grants distributed to the disadvantaged to help them meet their daily, basic needs including food, health care and education for their children. The type and amount of assistance provided in the registered voucher is determined according to the specific needs of the applicant.

<sup>69</sup>. For more details on these forms of assistance, see the section on promotion of work-life balance within companies in Part III.

### The Solidarity voucher (Wertgutschein) in 300 cities and 39 employment agencies in Germany

Local authorities in Germany have implemented a solidarity voucher to manage grants from social services and national employment agencies. They seek to enable asylum seekers and unemployed young adults to meet their basic needs (to buy food, clothing and health and hygiene care).

5 different vouchers (food, work clothes, etc.) have been established, with values varying depending on the city, the federal state and the status of the recipient. This system covers 14,000 asylum seekers and 2,400 unemployed young adults (16 to 25). The vouchers are accepted in a network of 1,420 supermarkets, department stores and independent shops.

Through a number of ways, reconciliation policies help promote social cohesion and the fight against exclusion in Europe while also contributing to the implementation of the European social model. These policies therefore achieve the European objective of reconciling growth and social cohesion in Europe.

## **Part 3:** The role of various actors in work-life balance policies

As we have seen, reconciliation measures involve very different policies with regard to childcare, personal care, personal services and social welfare benefits. The expertise in these areas is divided between different levels of government and different actors. It is interesting to consider the role of each to consider who influences decisions and on what scale.



## I) European actors

### EU institutions

#### Work-life balance policies in community decisions

It is important to have an integrated and comprehensive approach to the problem of reconciling and linking all relevant policies in this area (employment, services, social security, education). The EU acts more or less directly in these areas, which rest largely on the principle of subsidiarity.<sup>70</sup> It does provide, however, a convergence of policies strongly influenced by traditions and national histories.

The issue at the European level is primarily addressed through the principles of equality, non-discrimination and organisation of work (training, working hours, leave).

The EU also has addressed work-life balance policies more directly, through references in various programmes and communications:

- > in 2005, it relaunched the Lisbon Strategy, refocusing on growth and employment. The European Strategy for Employment has incorporated these changes and highlighted the role of work-life balance in a new integrated guideline (No. 18) which aims to "*promote a lifecycle approach with regard to work*". Among the means to achieve this, it cites: "*to enable a better work-life balance and to propose more accessible and affordable childcare and dependent care,*"
- > in 2006 and 2007 the Commission launched two rounds of consultation on the reconciliation of professional, private and family life.
- > following the responses received, it presented in October 2008 a "work-life balance package" to help parents better "reconcile professional, private and family life".<sup>71</sup> The package includes 4 documents:

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70. The principle of subsidiarity is defined in Article 5 of the Treaty establishing the European Community. It aims to ensure decisions are taken closer to citizens by ensuring that the action at Community level is justified compared to the possibilities available at national, regional or local levels. Specifically, it is a principle whereby the EU acts - except for its areas of exclusive jurisdiction - only when its action is more effective than action taken at the national, regional or local level.

71. Memorandum of the European Commission, "New measures to better reconcile work and private life", MEMO/08/603.

- a communication detailing the strategy to be followed,
  - a proposed directive amending the protection of pregnant women at work and maternity leave (Directive 92/85/EEC), but this was not adopted,
  - a proposed directive amending the rights of self-employed workers and helpers (86/613/EEC),
  - a report on the implementation of the Barcelona Process of 2002;<sup>72</sup>
- > the concept of work-life balance can even today be regarded as a fundamental right in the making. The Charter of Fundamental Rights of the European Union is referred to in Article 33 § 2: "To reconcile family and professional life, every person has the right to be protected against dismissal for a reason connected with maternity and the right to paid maternity leave and parental leave following the birth or adoption of a child".

Why is EU action justified over other actors regarding work-life balance?

Implementation of measures at the European level has several advantages. It ensures equality among Member States in terms of direct and indirect costs related to work-life balance policies. Within the single market and free competition, it is essential to promote these policies and not to let them be subverted. It is also a way to fight against equality policies "à la carte" and social dumping.

The debate on work-life balance policy is linked with current thinking on the modernisation of labour markets in Europe and the concept of flexicurity. The EU also exercises influence through "soft law", that is to say non-binding targets that Member States determine jointly. But despite their voluntary nature, they encourage action<sup>73</sup> :

- We can cite again the example of the Lisbon Strategy, which identifies common goals that Member States must achieve within a given time while allowing them freedom as to the means to be employed. These objectives are accompanied by statistical comparisons and exchanges of best practices. This promotes the convergence of measures taken in European states in relevant fields.

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72. For an explanation of the Barcelona Process, see the following section: Why is EU action justified before other actors in reconciliation?.

73. To go further: "Companies face work-life balance: a comparison between Germany and France", June 2008, tracing the various changes in family policies in France and Germany and showing the influence that the EU can exert on these developments.

- The Barcelona European Council of 2002 set targets for childcare: By 2010 Member States should provide childcare for at least 90% of children between 3 years old and school age and for at least 33% of children under 3.<sup>74</sup> It also encouraged Member States to remove disincentives for women to undertake a professional activity.
- Within the scope of work-life balance and flexicurity, we can also include the process of Bruges-Copenhagen<sup>75</sup> for lifelong training which aims to strengthen cooperation in education and vocational training in Europe. The declaration, signed at the 2002 European Council in Copenhagen, aims to create a Europe of knowledge and to ensure that the European labour market is open to all.

### Structural funds and reconciliation in the Czech Republic

Structural funds represent the main instrument of implementation of EU economic and social policy with regard to social cohesion in the Czech Republic. The operational programme "regional competitiveness and employment" includes a chapter entitled "gender equality of opportunity in the labour market and balancing family life and work". 398.6 million euros were earmarked for the period 2007-2013 for reconciling work and family life. Public and private enterprises can benefit by implementing programmes that promote work-life balance.

74. A report was submitted in 2008 called: "Implementation of the Barcelona objectives concerning childcare facilities for preschool children", <http://tinyurl.com/ydxzkt9>

75. The Bruges-Copenhagen process aims to help European citizens respond to the demands of the European labour market by allowing them to continue their training at different educational levels and in different sectors, professions and countries. It also contributes significantly to achieving the goal set by the Lisbon Strategy: making the EU the most knowledge-based economy in the world by 2010. This process focuses on areas related to quality assurance and transparency and recognition of qualifications. Cooperation on a number of practical projects has been initiated:

- developing a unique framework for the transparency of skills and qualifications - Europass;
- transfer of credits for education and training similar to the European Credit Transfer and Accumulation System (ECTS) already applied in higher education;
- principles and common quality criteria for EFP used as a basis for European-level initiatives in the field of quality assurance;
- common principles for validation of non-formal and informal learning to ensure greater compatibility between approaches in different countries;
- lifelong orientation in a European dimension.

## Other actors at the European level

### Organisations and networks at the European level

The exchange of best practices also occurs at the level of organisations and networks created at the European level. In the area of work-life balance, European agencies addressing work life include:

- Eurofound,<sup>76</sup> the European Foundation for the Improvement of Living and Working Conditions, founded by the EU in 1975. It aims to contribute to the development of better living and working conditions in Europe. Its role is to provide information, advice and expertise to key players (employers, European politicians, governments, unions) through comparisons, research and analysis. It is particularly involved in issues of employment and work conditions, work-life balance, industry relationships and partnerships and social cohesion.
- In 1994, the European Agency for Safety and Health at Work was established.<sup>77</sup> The Agency's mission is to provide Community entities, Member States and interested parties with technical, scientific and economic information in the field of safety and health at work.

The development of the EU has led members of civil society to come together to assert their interests at the European level. Networks such as AGE (the European Platform for Seniors) and EWL (the European Women's Lobby) have promoted the development of a dialogue at European level .

### European social partners

The importance of negotiations by the European social partners within the European social dialogue is one of the pillars of the European social model and should not be overlooked. It includes discussions, consultations, negotiations and joint actions undertaken by organisations representing social partners, namely employers and workers (European Trade Union Confederation, BusinessEurope, the European Centre of Employers and Enterprises providing Public services (CEEP) and the European Association of Craft, Small and Medium-sized Enterprises (UEAPME) as a member of the delegation of BusinessEurope).

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<sup>76</sup>. [www.eurofound.europa.eu](http://www.eurofound.europa.eu)

<sup>77</sup>. [osha.europa.eu/fop/france/fr](http://osha.europa.eu/fop/france/fr)

As stated by Eurofound: "*By definition within the European Social Model, social partners and social dialogue in general have a key role to play in helping to improve working conditions. At the European level, this concept of social dialogue positively influencing working conditions is illustrated by sectoral and cross-industry European Social Dialogue dealing with various aspects of working conditions*".<sup>78</sup> They have helped in the establishment of framework agreements and guidelines on work organisation and promotion of equality in professional fields.

### European social dialogue

It involves two levels:

- A bipartite dialogue between employers and trade unions,
- A tripartite dialogue between social partners (employer organisations and European trade unions) and the authorities.

The procedure for this dialogue is defined in the EU Treaty.

- Article 138 of the EU Treaty provides for mandatory consultation of social partners, which consists of two phases: 1) Before submitting proposals in the field of social policy, the Commission must consult the social partners for guidance on Community intervention, 2) - If the Commission considers Community action advisable, it shall consult the social partners on the content of the proposal.
- Article 139 of the EU Treaty stipulates that the dialogue between social partners at the Community level may lead to contractual relations, including agreements, if the social partners so desire. These agreements can be implemented through Council Directives or procedures and practices specific to social partners and Member States.

The dialogue between social partners occurs at both the intersectoral and sectoral level. The social partners have concluded a series of agreements that were ratified by the Cabinet of Ministers and which are now part of the

<sup>78</sup>. See the draft report by Eurofound: "Working conditions and social dialogue: National frameworks, empirical findings and experience of good practice at enterprise level in six European countries".

legislation: the agreement on parental leave (1996) / the agreement on part-time work (1997) / the agreement on fixed term contracts (1999).

The social partners have also signed independent agreements on telecommuting (2002), work-related stress (2004), workplace harassment and violence (2007), a framework of actions on lifelong training (2002) and a framework of actions on gender equality (2005).

## II) At the national level<sup>79</sup>

As noted by the European Commission, "*the responsibility for the development and dissemination of work-life balance measures lies primarily with Member States. Therefore, the Commission calls on them to ensure that these measures are implemented so that women and men have real choices*".<sup>80</sup> In fact, the Member State plays a key role in reconciling work and life outside work through various legal instruments. It may act through family policies, household taxation<sup>81</sup>, labour laws, etc.

### Large differences between countries' legal approaches

In many countries, work-life balance policies are still weak. There are shortcomings as far as measures that would provide a dynamic adaptation to the different life cycles of employees and adequate protection of labour and social status. The Member States do not employ the same methods and do not target the same audiences or objectives:

- some want to encourage an increase in fertility,
- others seek to aid work-life balance,
- others struggle against economic inequality and family poverty,
- finally, some focus on promoting a balanced sharing of family responsibilities between men and women.

Despite the setting of objectives to be achieved by all Member States, the fact that they are not obligatory and that the approach to achieve them remains discretionary may generate large disparities.<sup>82</sup> Thus, "*sometimes laws facilitate either work or retirement without providing rights that enable flexible responses*

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79. To see a comparison of the importance and the provisions of collective bargaining agreements in the different member states: "Legal approaches to some aspects of the reconciliation of work, private and family life in thirty European Countries", 2008.

80. European Commission, 2008, "New measures to better reconcile work and private life". On this subject, see the article, "Companies face work-life balance: a comparison between Germany and France", June 2008.

81. Jönsson A. and Morel N., 2006, "Gender and reconciling family life balance - working life in Europe. A comparison of policies in France, Sweden and the United Kingdom", European Policy.

82. To go further on the different models of family policy: "Family policies in developed countries: contrasting models", Population and Societies (2008).

*to the needs at work and at home (Finland, Hungary). There is a lack of models in long-term flexibility such as time savings accounts or leave sabbaticals, etc*".<sup>83</sup>

We can compare four models of family policies in Europe:

- In the Nordic countries, strong support is provided for mothers with young children with longer periods of leave, also for fathers, and a high level of formalised childcare with almost half the children less than 3 years old placed in this type of care.
- In the Anglo-Saxon countries, the objective is primarily to provide preschool education to ensure equal opportunities for children. In this context, achievement of work-life balance relies heavily on the flexibility of labour markets, in other words, the ability to change jobs without overly long periods of unemployment and especially the development of part-time jobs for women with young children. Work-life balance is therefore based on a strong asymmetry in the position of men and women in the labour market and implies the renunciation of a certain amount of income for families with young children that is not offset with public aid.
- Southern countries are characterised by a policy "deficit" regardless of the component in question. First, the volume of financial benefits paid to families is very low. Parental leave is also particularly long but with little or no compensation.
- Finally, in other countries like France, Finland, Norway or Austria, a dual support system is in place for parents having access to care to maintain their professional activity as well as for mothers who decide to interrupt their professional activity in order to care for young children. Total expenditures for families are high as the costs for childcare facilities for children less than three years old are significant. As a result, the financial aid provided for the care of children is greater overall than in the Nordic countries, when tax benefits for children or childcare are taken into account.

Family and tax policies have a key role in efforts to achieve work-life balance.<sup>84</sup> With regard to policies aimed at promoting a higher birth rate, Eurofound notes that, "*in some cases the stereotypes associated with traditional roles of men and women is reinforced by the work-life balance policies in place that are aimed pri-*

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<sup>83</sup>. "Legal approaches to some aspects of the reconciliation of work, private and family life in thirty European Countries", 2008.

<sup>84</sup>. Also discussed in Part III.

*marily toward women and young mothers (e.g., Bulgaria, Estonia, France, Greece, Hungary). Some policies are designed to increase fertility rates (France, Poland, Slovakia). Thus we cannot exclude that some childbirth policies can have a negative impact on a more balanced division of paid work and unpaid work between men and women”.*

This diversity is accompanied by legal differences in the organisation of work. With regard to holidays, for example, the EU sets a minimum common framework but does not take into account all types of holidays in the 27 existing Member States. This also involves differences in pay, protection of social and employment rights, length of work, pension contributions during leave periods, etc.<sup>85</sup>

### The issue of services

The State influence on the development of work-life balance policies is expressed not only via law but also by its actions in providing services to households.<sup>86</sup> These services include childcare, care of the elderly or dependents and domestic help. Various studies show that progress is needed on the part of some Member States. For example, "the highest percentage of children under 3 placed in supported childcare were recorded in Denmark (73%), the Netherlands (45%) and Sweden (44%) with the lowest in the Czech Republic and Poland (2% each). For children between 3 years and the age of compulsory schooling, the highest percentages observed of children in care were in Belgium (98%), Denmark (96%) and France (94%) and the lowest in Poland (28%), Lithuania (56%) and Malta (57%). So there are strong differences between Member States, which carry obvious consequences for women's access to the labour market.

To truly meet the needs of households such services must be:

- of sufficient number;
- spread evenly geographically;

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85. In the Netherlands, employees of companies with at least 10 employees can adjust their work schedules without requiring justification. In the UK, parents with children under six are entitled to ask their employer for flexible working hours. Without creating direct rights, this approach encourages debate in the workplace and promotes the adoption of measures suited to both the business and employees.

86. For a comparison of different laws regarding services, see the article: "Legal approaches to some aspects of the reconciliation of work, private and family life in thirty European Countries", 2008.

- available at times convenient to a working parent. For example, hours of work often do not coincide with school hours. Children's holidays are often much longer than those of parents leading to difficulties in balancing child-care and work life;
- of sufficient quality;
- affordable, recognising that the first people in need are the lowest income households, including persons returning to a job where services may be rapidly needed.

Beyond the services that the state provides, it also can help households through access to personal services. The state may reduce the cost of access to these services by various means:

- actions on taxes or social costs (particularly through actions on VAT)
- subsidisation: i.e., the partial assumption of costs through social policies or, more generally, through subsidies for certain activities (tax reduction for household users of personal services, tax reduction to companies offering services to their employees).

### The French government and aid for personal services

In 2005, the French government launched a development plan for personal services. It was aimed at improving the well-being of citizens through simplified access and lower cost personal services, coordinating and simplifying the administrative management of these service activities, and professionalising and structuring the industry by fostering development and employment that cannot easily be relocated. To do this, the government created Cesu (Universal services employment voucher).

The Cesu comes in two forms:

- The Cesu bank card allows the individual employer to declare the remuneration of its employees on the Internet or through a notebook or a universal service employment checkbook;
- The pre-funded Cesu provides payment for a predetermined amount. It is funded in whole or in part by a company, a works council, a mutual insurance fund, a pension fund, a local authority... It is used to compen-

sate an employee at home, an approved childcare provider, a service provider or a childcare center (nursery, drop-off center...).

With the agreement of the employee, the services voucher enables the payment to and reporting of persons employed to assist the employer in connection with their family or household activities. The social coupon addressed to the national center for services employment vouchers serves as a declaration of employment. The national center performs the calculation and collection of contributions and sends a proof of employment to the employee which saves the employer from having to establish a pay slip.

With the universal services employment voucher, the reporting procedures are simplified and the user receives tax benefits related to the employment of domestic help (tax benefit of 50% of expenditures within an annual limit).

The pre-financed Cesu allows payment of the employee's salary or the invoice from the personal home services company, completed with any necessary form of payment. Pre-financed Cesu vouchers bear all or part of the cost generated by the use of household help.

## Promotion of work-life balance policies within companies

Finally, the state can act more directly through companies by encouraging them to promote work-life balance in their human resource policies.<sup>87</sup> Again, it can intervene through taxation. In France for example, the state introduced the family tax credit in 2004 which aims to, "*help businesses to bear the cost of salaries, compensation and training provided to their employees in a family setting in offering three tax credits*"<sup>88</sup> or through tax deductions. The state may also grant subsidies to companies such as in Spain, where establishments implementing work-life balance measures receive up to €10,000<sup>89</sup>.

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87. For a comparison of the importance and provisions of collective bargaining agreements in different Member States: "Legal approaches to some aspects of the reconciliation of work, private and family life in thirty European Countries", 2008 "The role of different forms and levels of social dialogue with regard to influencing, modelling, implementing, monitoring and improving working conditions at the workplace level is largely determined by national contexts of labour market regulation and industrial relations". Ibid.

88. See internet page on the family tax credit: [tinyurl.com/ycycyc3](http://tinyurl.com/ycycyc3)

89. Subvenciones para implantar planes de igualdad en las pymes.

The state may also highlight best practices developed in companies through communications vehicles and campaigns.<sup>90</sup>

### The French government's communications around personal services

In 2008, France created the Institute for parenting in companies to promote best practices in promoting work-life balance and to communicate examples of actions implemented by enterprises. It also created the 1<sup>st</sup> Barometer on work-life balance, in partnership with the Interministerial Family Delegation (DIF) and the National Union of Family Associations (UNAF), to assess employer practices toward their employees who are parents.

The National Agency of Human Services has also developed a communications strategy. For example, it introduced the "traceurs S! personal services" providing information on agencies involved in developing



personal services (Authorised personal services agencies, National teachers, Issuers of pre-financed Cesu vouchers, Companies offering personal services). The creation of this logo was accompanied by a publicity campaign for the general public.

90. In May 2009, the 2009 barometer on reconciliation of work and family life was published on the following site: [tinyurl.com/ya3ugom](http://tinyurl.com/ya3ugom)

### III) At company level<sup>91</sup>

#### A highly contrasted picture

Companies are ultimately responsible for implementing these policies, often going further than what the institutions propose. The great diversity of actions implemented by businesses is largely a result of the institutional context, the various forms of social regulation and the collective representations of the family in its environment. It also underlines the importance of collective bargaining agreements<sup>92</sup>, sector agreements and internal agreements on these issues since national social partners are the players closest to the ground and thus most likely to identify problems and practical solutions. Companies are thus subject to highly varied pressures across countries or sectors in relation to these policies.<sup>93</sup> The heterogeneity of these structures also should be kept in mind: large, medium, small, across different sectors of activity, public or private, all factors which affect the means at their disposal to implement measures.<sup>95</sup>

#### Large variation between work-life balance measures

Companies implement work-life balance policies using a range of tools. The first tool that may be used is that of time management within the company, which has already been discussed: the introduction of flexible schedules, management by results rather than presence, telecommuting, time-savings accounts... They can also provide their employees with in-kind benefits:

- establishment of / reservations in childcare facilities for employees' children;
- creation of day care centre;

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91. See particularly: "Companies face work-life balance: a comparison between Germany and France", (June 2008) INED Study: "How can employers help their employees balance work and family?" (December 2007) "Legal approaches to some aspects of the reconciliation of work, private and family life in thirty European Countries", 2008.

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92. See the draft report by Eurofound: "Working conditions and social dialogue: National frameworks, empirical findings and experience of good practice at enterprise level in six European countries".

93. For more detailed information on businesses in Member States: "Employers little involved in reconciling work / family life", according to a study by the INED, which shows that there is progress still to be made in France on the part of employers.

94. "Taking the family life of employees into account by companies: a European comparison", 2008.

95. INED Study: "How can employers help their employees balance work and family?" December 2007.

- organisation of day camps, summer camps;
- provision of domestic services such as the creation of a corporate concierge service;
- assistance in obtaining housing at affordable cost;
- establishment of a cafeteria or subsidisation of a company restaurant.

Companies also can promote work-life balance by granting financial benefits. For example:

- aid that covers all employees, such as assistance with meals through restaurant vouchers, vacation vouchers, contributions to a mutual fund.
- financial aid specifically designed to help families with childcare costs, educational assistance for children, bonuses (marriage, birth), the granting of additional compensation for maternity or paternity leave and the establishment of a works council.

It is interesting to see that each level has a different but important influence in the implementation of work-life balance policies. It is therefore necessary to maintain an ongoing dialogue among them and to consider actions that reflect the diversity of European businesses and populations.

# Conclusion

Work-life balance policies present a number of interests for modernising work and adapting to current changes in European society, with benefits for both companies and their employees and governments. If companies are able to see an opportunity and anticipate changes through flexible human resource management policies adapted to the different profiles of the company, they would emerge with significant gains. Moreover, the establishment of a series of services to households, whether through company intermediary, public assistance or simply by investing in families, will contribute to the development of the personal services sector in Europe: these measures represent an important means for boosting the EU economy as it seeks solutions to overcome the economic crisis.

In addition, the development of work-life balance policies can contribute to strengthening social cohesion. They also have an important role in promoting gender equality and between generations, particularly in enabling access to the labour market adapted to the constraints of each profile: in this case, it is a necessary but not sole condition, given the cultural and ideological barriers that also must be surmounted.

For these two elements - contribution to European growth and social cohesion - work-life balance is an important element of the Lisbon Strategy developed since 2000 in the EU, which focused on these two aspects, while also contributing to a major transversal goal, the fight against discrimination, in particular, gender inequality.

Several questions arise, which will only be answered in the coming years and are the responsibility of the new European Commission and Parliament. In particular, solutions are needed for a number of texts blocked during previous legislatures, such as the directive on work hours or the lengthening of the du-

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ration of maternity leave. Similarly, application of the directive on the liberalisation of services, implemented in Europe in late 2009 or early 2010 depending on the country, could raise a number of challenges. Finally, new directions for the next 10 years will be taken through a renewed Lisbon Strategy, a new roadmap for gender equality and a new European Social Agenda. The various issues related to work-life balance should not be forgotten, as much as for their own importance as for the competitiveness of enterprises and the well-being of European citizens.

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